Local Government Mandate Statement Kentucky Legislative Research Commission 2020 Regular Session

REVISED 1/23/2020

Part I: Measure Information

Bill Request #: 104	8												
Bill #: HB 195 GA													
Document ID #: 5103													
•	AN ACT relating to the publication of local government legal advertisements.												
Sponsor: Represent	ative Jerry T. Miller												
Unit of Government:	XCityXCountyXUrban-CountyXCharter CountyXConsolidated LocalXGovernment												
Office(s) Impacted:													
Requirement:	Mandatory X Optional												
Effect on Powers & Duties:	Modifies Existing X Adds New Eliminates Existing												

Part II: Bill Provisions and the Estimated Fiscal Impact Relating to Local Government

HB 195 GA creates a new section of KRS 424.110 to KRS 424.370 to give local governments the option to post required advertisements online.

 Local government is defined as any one of the governmental units checked above, and any agency thereof with a population of 80,000 or more including any city, special district, school district, or special purpose government entity within the county.

Notice Web site means an Internet Web site that is maintained by a local government or a third party containing links to legal advertisements or notices published by the local government.

In lieu of newspaper publication, a local government may post the required advertisement on the Notice Web site. The Internet posting shall also meet minimum requirements regarding times, content, and periods for posting. The posting shall remain active until the deadline passes or the event occurs if its purpose is to advise the public of a time to take action or the occurrence of a future event; for at least 90 days if the advertisement is to inform the public of an action taken by the local government, such as the enactment of an ordinance; or for one year or until updated or replaced with more current information regarding the financial status of the local government, such as annual audits or the budget.

Electronic or paper proof of the internet posting shall be captured and retained along with an affidavit signed by the person responsible for the posting stating that the local government has satisfied posting requirements. Documentation shall include the active dates, the web site address including the Uniform Resource Locator.

- In addition to the Internet posting, the local government shall publish a one-time newspaper advertisement providing notice that the full advertisement is available on the web site. Specific guidelines are provided regarding the size which must be no more than 6 column inches, the content, and the timing of the newspaper posting, and must include a mailing address and physical address where a copy of any related documents may be obtained, a telephone number for local government, and the Web address including the full Uniform Resource Locator, if the document is available online.
- Any internet posting including advertisements must be readily and easily located and retrieved via the local government's homepage or first page of the notice Web site. The local government shall retain a captured posting and an affidavit detailing the active dates of the posting and that the statutory requirements regarding the posting have been fulfilled for a period of three years.
- If there is an error in the newspaper, or the posting fails to comply with the requirements herein, the local government may remedy the error by publishing the matter on its Web site.

Failure to post in the newspaper shall not void the enforceability of the matter advertised by the alternative Internet posting. Any person who fails to publish the one-time newspaper advertisement shall be fined not less than \$50 no more the \$500. Additionally, any officer who fails to post required financial statements, budgets, or delinquent taxes shall be subject to a forfeiture of not less than \$50 nor more than \$500.

The impact of HB 195 GA on local government is expected to be minimal to moderate savings as detailed in information obtained from the Kentucky League of Cities (KLC).

KLC states that HB 195 GA will lower publication costs. It is estimated that Kentucky cities spend \$1.4 million per year on state-mandated publication costs. Although HB 195 would not eliminate the need for newspaper publishing, the ads would be smaller and thus,

less expense on the local government. The Pew Research Center estimates only 15% of adults get their news from print newspapers in 2018, compared to 30% in 2000.

About 66% of Kentucky Cities currently operate a web site, thus being able to fulfill the online posting requirements. The Census Bureau estimates that nearly 75% of Kentucky's city residents have broadband access in their home, which is a greater number than homes receiving print media. For cities that do not operate a website, advertisements that would be eligible to be posted to a notice Web site is optional and not required. Those cities would be able to continue publishing advertisements in accordance with current law.

Cities that stand to benefit the most are the larger cities with frequent publications and smaller cities within larger, and thus costlier, media markets such as Northern Kentucky and Louisville areas. Additionally, administrative cost may decrease due to a possible decrease in the number of open record requests since more information will be available online. Whereas internet-posting requirements of HB 195 GA only pertain to counties with a population of over 80,000, only the following counties will be affected: Jefferson, Fayette, Kenton, Boone, Warren, Hardin, Davies, Madison, Campbell, and Bullitt.

The Kentucky School Board Association estimated that Kentucky's 172 school districts could see an aggregate savings of \$350,000 annually. This is approximately \$2,000 per district, but it should be noted that there is great disparity in costs across districts largely due to the varied number of notices and the cost for the local newspaper and the local advertising market. Some individual districts could see savings of many thousands of dollars a year, whereas in smaller districts with smaller weekly newspapers the savings would be less.

The Kentucky Association of Counties provided that the estimated annual state-mandated newspaper advertising cost to counties is approximately \$1.5 million, excluding Fayette and Jefferson Counties. This figure is for **fiscal courts only** and thus, underrepresents the total cost to counties as it does not include cost related to other county offices, including County Clerks, Sheriffs, County Attorneys, etc.

Part III: Differences to Local Government Mandate Statement from Prior Versions

HB 195 GA keeps all the provisions of HB 195 HCS 1 with the following change (HFA 1):

- Changes the size requirement for published advertisements from *at least* six column inches to *not more than* six column inches.

HB 195 HCS 1 keeps the major provisions of HB 195 as introduced and makes the following changes:

- As used in HB 195 HCS 1, the definition of local government is expanded to mean counties with a population of 80,000 or more.

- The size requirement regarding the one-time newspaper posting is changed from at least 3 column inches to at least 6 column inches.
- Clarifies that the newspaper shall include the Web address including the full Uniform Resource Locator if the document is available online.
- Any internet posting including advertisements must be readily and easily located and retrieved via the local government's homepage or first page of the notice Web site.
- The local government shall retain a captured posting and an affidavit detailing the active dates of the posting and that the statutory requirements regarding the posting have been fulfilled for a period of three years.
- If there is an error in the newspaper, or the posting fails to comply with the requirements herein, the local government may remedy the error by publishing the matter on its Web site.

Data Source(s):	<u>LRC</u>	Staf	f, I	Kentu	ıcky	Lea;	gue of	Citi	es,	Kentuc	KY A	<u>Association</u>	of	Coi	<u>unties</u>
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Kentucky School Board Association, Kentucky Data Center - University

of Louisville

Preparer: Wendell F. Butler **Reviewer:** KHC **Date:** 2/24/20